

Chapter 2 Outline

Purposes of the Statement of Financial Position
Limitations of the Statement of Financial Position
Content of the Statement of Financial Position
 Current Accounts
 Noncurrent Receivables
 Designated Funds
 Property and Equipment
 Other Assets
 Long-Term Liabilities
 Net Assets
 Footnotes
Statement of Financial Position Analysis
 Horizontal Analysis
 Vertical Analysis
 Base-Year Comparisons

Competencies

1. Explain the purposes and limitations of a statement of financial position for clubs. (pp. 35–37)
2. Describe the content of a club's statement of financial position—assets, liabilities, net assets (members' equity), and footnotes. (pp. 37–46)
3. Explain how a club's statement of financial position can be analyzed using horizontal and vertical analysis as well as base-year comparisons. (pp. 46–50)